



October 2001

The Honorable Mayor Bob Knight and
Members of the City Council
City of Wichita
Wichita, Kansas

Dear Mayor and Council Members:

Wichita is a great community, with many extraordinary achievements. During my service as City Manager (starting in 1985), the finances of the City have stabilized with a property tax mill levy rate that is 9% lower today, while service levels in public safety, infrastructure construction and maintenance, and quality of life programs have increased dramatically. Among many new initiatives, Wichita has moved aggressively to enhance public safety through community policing; solve environmental problems; support cultural initiatives; and invest in downtown redevelopment.

Wichita also aspires to even greater achievements in the years ahead. A focal point for dialogue about the future direction of the community and City government is the annual budget. As chief executive officer, a primary duty of the City Manager is to annually prepare and propose to the City Council a financial business plan for future of the City. It is again my privilege to place before the governing body, the sixteenth such submittal during my tenure in Wichita — the ***Adopted 2002-2003 Budget***.

Theodore Roosevelt captured the essence of the dynamics of a budget with his insightful exhortation to: “do what you can, with what you have, where you are”. His is no small challenge to achieve the most possible recognizing the constraints of resources. Successfully meeting that challenge is what makes *Wichita...A City Achieving the Extraordinary*.

And it is a challenge that lies before us. The slowing of the economy, both nationally and locally, was recognized in the preparation of ***2002-2003 Adopted Budget***. Not anticipated, were the sad events of September 11th that accelerated and intensified the general economic downturn. The overall safety and security of the community immediately came under review and resources are being redirected for added security as needed.

The long term impact of September 11th on this organization and community is still being assessed. Priorities and resources are under review and new priorities will be incorporated in future financial plans. Some programmatic aspects in the budget will likely be delayed, reflecting an immediate focus on security issues, substantial changes in economic forecasts and declining revenue projections. The City, however, remains strong financially and will bear up well under the current times of sadness and uncertainty.



BUDGET HIGHLIGHTS

- The Public Safety Initiative that previously added 149 police officers, now adds/redirects more officers (14) to expand police beats and community policing into newly annexed areas in east and west Wichita.
- The Public Safety Initiative further provides initial funding for the phase-in of two new fire stations and the plan for a total of 44 firefighters, expanding and enhancing public and firefighter safety.
- The Infrastructure Maintenance Initiative, begun in 1999, is extended with \$1.2 million annually for contract street maintenance and expanded through more maintenance crews in Public Works and Park.
- The Culture and Tourism Initiative increases City funding support for the capital/operating costs of the new Art Museum expansion; two regional branch libraries; CityArts programs; innovative “at risk” youth programs; and a new tourism marketing effort.
- The new Customer Service Initiative invests in four mini-City Halls, neighborhood services staff, and employee customer service training.
- The Technology Initiative invests in a high speed “wide area network” linking all major City facilities and expands the City’s use of e-government to conduct commerce with business and citizens.
- No mill levy increase is required to fund the Adopted 2002 Budget.

2002 - 2003 ADOPTED BUDGET

Wichita: A City Achieving the Extraordinary

The City of Wichita continues to exemplify that it is an exceptional mid-sized city dedicated to providing quality “traditional” government services. Over the years, however, the City has recognized that to enhance the quality of life for residents and visitors it must move beyond the traditional and provide services that are more entrepreneurial in nature. Examples of such initiatives include a nationally recognized groundwater clean-up program to protect the value of property in the City’s core area, a public-private partnership to develop a flagship convention hotel and downtown revitalization, a public art program that places sculptures and public art throughout the City, a reforestation initiative of public and private funds, and cultural and tourism plans redefining the image/marketability of the entire region.

Other communities may engage in some of these similar initiatives. What is unique to the City of Wichita is that it is recognized and now expected within the community to be the leader of such initiatives. Municipal governments have traditionally not been the risk takers or community drivers responsible for building public/private partnerships to secure both the necessary public and financial support. The City of Wichita is different — and that is why it achieves the extraordinary.

The Adopted 2002-2003 Budget is an important tool for advancing the City’s agenda of achievement. It is a process of focus and priority setting within the larger picture of resources restrictions and service demands.

REVENUES AND EXPENDITURES... THE BIG PICTURE

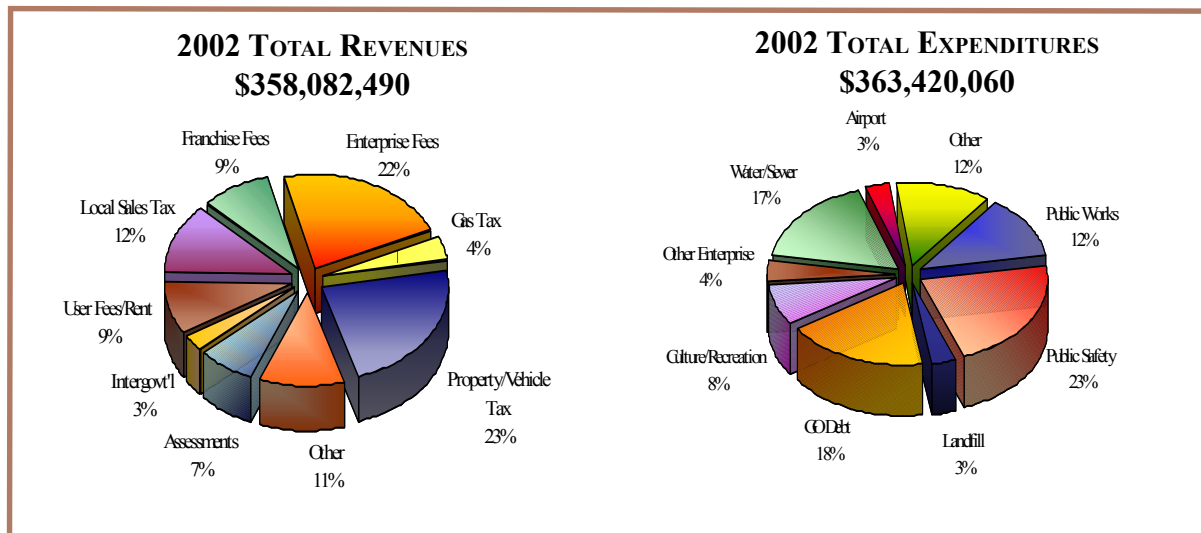
Budgeted revenues for 2002 of \$358,082,490 are derived from several major sources. Certain major revenue categories (e.g. gas tax and special assessments) are legally dedicated resources and can only be

used to offset specific expenses. Total revenues are exclusive of internal services, fiduciary funds, enterprise construction and interfund transfers (eliminating double counting and co-mingling of operating and capital funds).



Adopted 2002 expenditures total \$363,420,060 for all funds. Expenditures by program/service groups are summarized in the chart. Increases in the expenditures are primarily the result of higher wage/benefit costs, landfill closure expenses, and one-time adjustments in capital project costs (the latter two account for the higher annual 2002 expenditures versus annual 2002 revenues and these return to a normal balance in 2003).

Personnel costs represent the single largest expense, accounting for 40% of the total budget (68% of the General Fund). For every dollar spent on salaries/wages, the City will spend 27¢ on employee pension and insurance benefits. 2002 General Obligation (GO) debt service, at \$65,326,780 or (18%) of the budget, is the second largest expense item. A substantial portion of contractual expenses, (19%), of the total budget, represents the City's efforts to contract work to the private sector.



The General Fund is the largest of the City's operational funds, accounting for nearly half of the total City budget. Public safety, public works, parks and recreation, health/housing services and local tax subsidies for transit are the principal programs supported by this fund. The General Fund is one of two major funds that rely upon the ad valorem property tax as a major revenue source.

Overall, 2002 General Fund revenues are projected to increase less than 3% over the revised 2001 General Fund budget. Higher growth in the property tax will offset lower growth in some revenues (franchise fees) and reductions in other revenues (charges for sales and services). State-mandated reductions in the motor vehicle tax formula were phased-in from 1996-2000 and continue into the future. The State has also placed growth caps on portions of the gas tax and other state shared revenues to be paid to cities.

Major program increases in public safety (police and fire) and in infrastructure maintenance are funded for 2002. Other increases in expenditure levels are driven by higher labor costs from union agreements, and moderate inflationary pressures in contractual and commodity expenses (e.g. fuel costs).



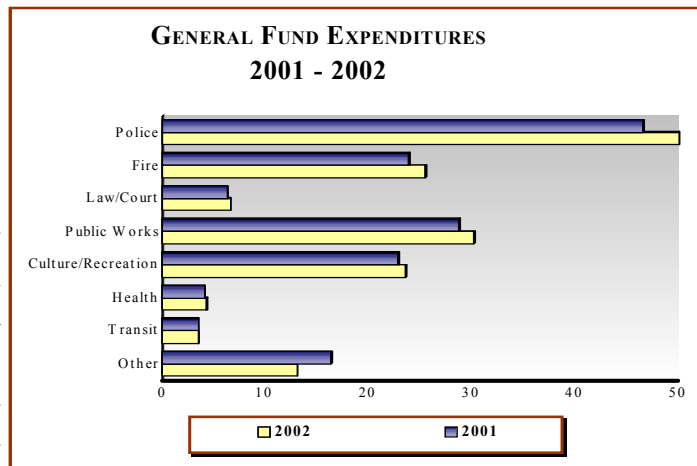
The General Fund is balanced for 2002 at \$156,468,140 in revenues and expenditures. The chart (below) provides an overall picture of the allocation of General Fund expenditures by general category.

The City of Wichita, to achieve the extraordinary, must maintain and enhance its core services. This budget defines how Wichita manages its resources to master challenges in basic service delivery. It reaches beyond tradition to demonstrate the City's commitment to its customers. It looks to enhanced technology to strengthen our infrastructure. Finally, the City's entrepreneurial spirit is evidenced through new, innovative approaches to serving its citizens.

MANAGING RESOURCES MASTERING CHALLENGES

In 1990, total revenue collected from the General Fund was \$110,547,475. The City ended 2000 with \$145,963,433 in collections. Although this represents a nominal increase of \$35.4 million over the eleven-year period, in real terms (adjusted for inflation), the City's General Fund revenue is actually 1% *less* than it was over

a decade ago. Though real resources have not appreciably changed over the past eleven years, the City continues to provide quality services, including many remarkable improvements.



The City continues to enhance basic services without tax increases. In past budgets, the City has implemented community policing throughout the City, as well as in middle and high schools. This Public Safety Initiative added 149 police officers in the community.

PUBLIC SAFETY

The 2002 Adopted Budget funds a new Police Beat (6 beat officers and 1 community Police officer) at a cost of \$380,000 initially, and \$340,000 in 2003. Two new Beats are needed for expanded Police services in the newly annexed areas in east and west Wichita. The second Beat will be derived from the transformation of civilian Traffic Safety Officers to commissioned Police officers.

Fire services are the emerging public safety need as the City grows and changes. A fire station location/relocation study was recently completed and approved by the City Council. Five station sites have already been purchased and design of the new stations is underway.

The Capital Budget currently includes nearly \$15 million through 2010 for fire station construction. This will fund the relocation of five stations in 2001 and 2002 and the construction of one new station and the relocation of one station in 2003. The new station will be located in far east Wichita to address the growing demand for fire service.



Fire staffing will increase in 2002 with 10 additional new firefighters. These resources will be utilized to revamp staffing assignments, improving response time of heavy apparatus (aerial trucks) to fires. The Budget includes \$466,830 for these positions and related equipment.

The new station in far-east Wichita, projected to go on line in the second half of 2003, will result in 17 new firefighter positions at a proposed cost of \$514,610.

INFRASTRUCTURE Every day in Wichita more than 300,000 vehicles travel 1,800 miles of roads, across 261 bridges, using 373 signalized intersections and 60,000 traffic signs to guide them. To help maintain this extensive roadway system, the 2002 Budget has included a supplemental \$1.2 million in the Public Works operating budget for ongoing preventive street maintenance, as well as maintenance crews and special maintenance efforts in newly annexed areas.

Complementing the preventative street maintenance program is the City's \$300 million freeway program. This program funded by federal, state and local dollars will turn U.S. 54 into a 6-lane freeway between the Turnpike Interchange on the east and 119th Street on the West. An aggressive property acquisition and construction program will result in completion of the freeway system by 2007.

In 2001 and continuing through 2005, the City will embark on an aggressive \$100 million elevated railroad construction project. The project will begin on Pawnee with the construction of grade separations in 2002, followed by the central rail corridor project extending between Douglas and 18th Street North.

The Public Works Department not only manages roadway improvements, but is responsible for maintaining over 150 facilities. Since 1999, ten positions have been added to assist with building and grounds maintenance. The 2002 Budget includes an additional \$1.2 million for contracted building maintenance and renovation. The budget adds four new positions to address maintenance needs associated with the Art Museum and other facility expansions.

Park maintenance functions also include landscaping at public facilities and along public right-of-ways. The City strives to enhance its investment in buildings and roadway improvements with an aesthetically pleasing landscaping and beautification program. To continue this effort, the Adopted 2002/2003 Budget includes two new maintenance crews comprised of highly skilled and motivated individuals who will be responsible for ensuring that Wichita's public places are in premier condition through intensive maintenance efforts.

ENVIRONMENTAL The City operates a Storm Water Utility that maintains the floodway, streams and drainage systems in the community. Funding is provided from a combination of City tax funds, County

Public Safety Initiative – Fire

- ✓ Relocate 8 fire stations throughout the city
- ✓ Add 2 new fire stations with staffing by 34 additional firefighters
- ✓ Increase fire staffing on specialty fire apparatus (e.g., aerials, heavy rescue) adding 10 firefighters
- ✓ Capital costs for station construction estimated at \$15 million

Infrastructure Maintenance Initiative

- ✓ Special Maintenance crew, \$92,020 annually
- ✓ Median/ROW Maintenance Crew, \$92,020 annually
- ✓ Building Maintenance, \$155,240 annually
- ✓ Enhanced Traffic Signal Maintenance, \$83,000 annually
- ✓ Maintenance in newly annexed areas, \$600,000
- ✓ Contracted Street Maintenance, \$1.2 million annually
- ✓ Contracted Facility Maintenance, \$1.2 million



tax funds and a \$1.32 equivalent residential unit (ERU) fee. The utility provides a basic level of service and maintenance and addresses a limited number of “hot spots,” which are defined as critical rehabilitation needs in the storm water infrastructure. The storm water capital program is approximately \$2.0 million per year. The 2002 Budget provides for a 3¢ increase to address several additional “hot spot” projects annually, increasing the Hot Spot budget from \$605,000 to \$725,000.

This year marks the end to the City of Wichita’s responsibility for solid waste disposal services. Brooks Landfill operations will close on October 9, 2001 and Sedgwick County will become responsible for this service. Upon the closure of Brooks, the City will have a thirty-year period of post-closure responsibility.

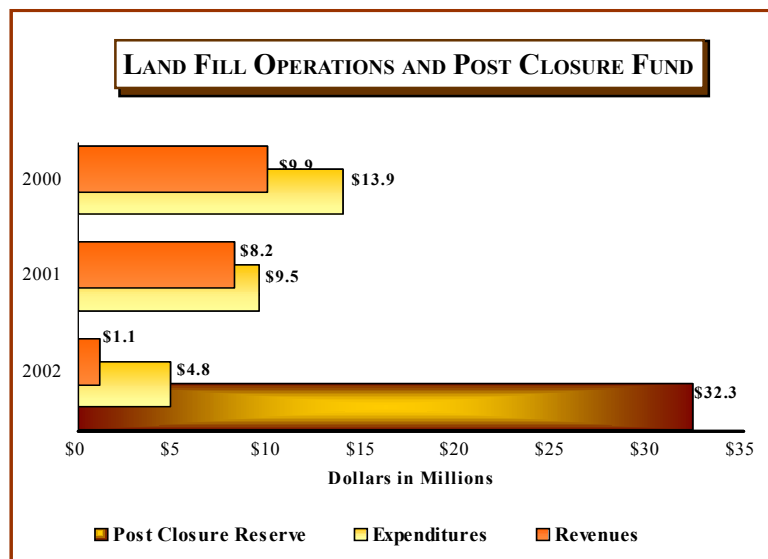
The Landfill Post Closure Trust Fund reserve is projected at \$32.3 million by the end of 2001, an amount estimated to be sufficient to cover post-closure costs, including reasonable contingencies.

Sedgwick County’s plan for solid waste management is to construct a series of transfer stations that require this community’s waste to be transported to destinations beyond Sedgwick County. Transfer stations are a more expensive alternative for waste disposal; tipping fees are projected to increase from \$26 per ton to approximately \$40 per ton. This presents a significant cost increase to residents and the City for solid waste disposal.

In response, the City is taking the initiative to develop a Construction and Demolition (C&D) Landfill. The landfill will be located at the Brooks Landfill site and will serve the City and other private users. Income from this facility will enable the City to continue popular community programs, such as: the bulky waste program, neighborhood clean-ups, and indigent trash collections.

In response to a growing demand for environmental management, an Environmental Compliance Manager position was created and funded in the 2001 Budget. This position will be responsible for ensuring City government is an efficient organization that ensures environmental compliance, stewardship, conservation and pollution prevention. Additionally, this person will direct environmental programs, oversee site assessments, audit environmental practices and conditions, and manage regulatory and legislative affairs. The Environmental Compliance Manager will also manage and coordinate the numerous initiatives associated with the clean-up of the Arkansas River, a project that is currently center stage in the Wichita/Sedgwick County community.

The Park Department maintains 84 municipal parks covering 3,800 acres. At least 160,000 trees are





planted in Wichita's public grounds. Most recently, an aggressive tree-planting program, called the Greening of Wichita, was initiated in partnership with the Wichita Tree Trust. The program's goal is to plant 10,000 trees per year over the next ten years. Because of this program, Wichita has been selected as one of three national sites for TreesAmerica. The City provided \$500,000 initial funding for the tree trust, and increased its internal reforestation fund for new tree planting to \$400,000 annually.

Throughout the years, the City, along with private partners, has made substantial investments in public art. Most recently private donors assisted the City with fifteen sculptures that line the newly renovated Douglas Avenue. To complement the streetscape, the Reflection Square vest pocket park was created hosting a sculpture that pays tribute to a Wichita institution, the diner counter in the Woolworth's store which occupied that parcel for over 50 years. The most recent gateway is at Central and McLean, the home of the (neon) Light Towers that honors Wichita's history as the "Neon Capital." The Light Towers are an adaptation of an idea seen in Barcelona, Spain.

In recognition of the City's efforts to improve the aesthetic environment, the 2002 Budget has included funding for the maintenance of City-owned public art. In the future, private fund raising efforts will include costs for both acquisition and maintenance.

TRANSIT For many Wichitans, quality of life depends upon public transportation. Transit operations are primarily locally funded (\$3,475,000 annually) with Federal and State funds supplementing service costs and providing funding for capital purchases. Thirty-nine new buses will be deployed (5 in October of 2001 and 34 beginning in April of 2002) costing over \$10 million. To complement the existing staff, an additional position is budgeted in 2002 to provide more detailed cleaning of the vehicles. New shelters and fareboxes will further enhance the transit system.

Transit Enhancements	
✓	New buses, 5 in 2001 and 34 in 2002, \$10 million
✓	New bus shelters and benches, \$483,000
✓	Increase para-transit services, \$100,000 annually
✓	Electronic Fareboxes, \$346,000
✓	"Access for Jobs" transportation, \$400,000 annually

Para-transit services for mobility-impaired citizens have grown at an average rate of 13.5% over the last 5 years. This trend is anticipated to continue. Two positions have been added to the 2002 Adopted Budget in response to the needs of the disabled, a para-transit van driver and a scheduling clerk. The clerk will assess individuals with special needs and schedule them on para-transit vans when appropriate, and then assist them with utilizing regular transit services should disabilities be temporary.

WATER / SEWER The Water Utility provides slightly over 20 billion gallons of potable water to customers annually. The recent action by the City Council to sell water to the City of Derby increases the volume to 21 billion. Distribution will commence when the water lines are constructed which should be late 2002 or early 2003.

The Sewer Utility collects and treats 15 billion gallons of wastewater annually. One of the most pressing issues facing the utility is the need to raise buried manholes for routine maintenance and capital projects. Funds have been included in the 2002 budget to raise 300 additional manholes per year.



Both utilities have substantial capital improvement programs that address rehabilitation of existing infrastructure and facility expansion, including extending the water supply to 2050 and constructing new sewage treatment facilities. A project currently under design, and scheduled to be completed in 2002, is the relocation of the water maintenance facilities from Sim Park Drive to the maintenance complexes on McLean and in maintenance satellites in east and west Wichita. The relocation will co-locate Water and Sewer Department equipment and staff at existing Public Works facilities.

Projected Annual Water & Sewer Rate Increases			
	2001	2002	2003
Water	5%	5%	5%
Sewer	5%	8%	8%

Debt service obligations for capital improvements are the primary variable affecting project utility rate adjustments. The projected rate increases may be mitigated through initiation of different debt financing strategies and rescheduling planned projects. Proposals will be returned to the governing body in the coming months addressing the rate issue.

A COMMITMENT TO CUSTOMERS

Any organization's strongest asset is its people. For the City of Wichita, as a municipal government primarily engaged in service delivery, this is especially true.

As a municipality, we must use multiple approaches to reach out to citizens to communicate practices, programs and policy issues. We must also ensure a continuous information program to City employees as quality service depends on correct, timely and accurate information. City customers are external to the organization and internal. Management's responsibility to both is to develop and sustain an effective customer service program.

The City's customer service program is multifaceted. It began in January 2001 with the theme "Above and Beyond" to stress that this City must increase its commitment to providing services in a friendly, courteous, and informative environment. Employees are not just information providers, but problem-solvers, working with individuals, groups and each other to find solutions to common problems. To further the initiative, the Budget is increased by \$50,000 annually to enhance customer service and supervisory training programs.

Additionally, it is important to recognize employees who make an extraordinary effort to serve customers. To this end, the City is initiating recognition programs that provide increased attention/support for individuals and departments who go above and beyond the expected.

The City's commitment to its customers continues to evolve with the growing importance of the District Advisory Boards (DAB). Each City Council member meets regularly and directly with their respective Board. The DABs receive staff assistance from a Neighborhood Assistant. Additionally, the City's Web site www.wichitagov.org posts meetings and current issues under discussion.

District Advisory Boards can play an important role for gaining input on issues and policies affecting the City. The DABs review and comment on the Proposed Budget and Capital Improvement Program, and provide input on planning and zoning regulatory matters. Typical issues discussed by DABs include

ordinance changes relating to the regulation of fireworks, vehicle storage, cellular towers, and day reporting centers.

As part of the work of the DABs, the Adopted budget includes \$150,000 for allocation to District Boards. Each will have an allocation of \$25,000 to initiate special one-time projects in their districts for neighborhood improvements.

In addition to District Advisory Boards, the City Council receives input from Boards and Commissions as well as coalitions. The City has 23 boards and commissions with membership appointed by the Mayor and City Council members. Some have regulatory functions, such as the Metropolitan Area Planning Commission which determines planning and zoning issues and others, such as the Design Council, which provide the City with assistance on the inclusion of public art and design to help make the environment more aesthetically pleasing. Coalitions such as Domestic Violence, Homeless and Special Liquor Tax bring together broad-based interests to suggest policy changes and funding needs for issues affecting specific populations.

Neighborhood Associations, which have grown from eight to eighty over the last several years, are also an important forum for citizen input. For the past several years, the City has worked in partnership with Wichita Independent Neighborhoods (WIN), an umbrella organization for neighborhood associations, to assist with organizing Neighborhood University, a day-long training session for civic-minded citizens. Associations are encouraged to bring issues to the District Advisory Board for discussion, especially when issues can impact the entire Council district. This effort has proven to be an effective way for including all citizens into the decision-making process.

Under the leadership of the Mayor, another initiative to address citizen engagement and empowerment has been implemented. As President of the National League of Cities in 2000, the Mayor launched a national initiative focusing on racism. Wichita continues to move forward with this initiative through community dialogues termed “study circles,” where individuals come together and gain a better understanding of each person’s unique approach to diversity and develop ways to build a more inclusive community where all people feel respected and valued.

ENHANCING SERVICES THROUGH HUMAN RESOURCES

The growth of the Wichita community, both in physical size and in numbers, continues to present the need for adequate human capital. The City has 3,600 employees. The current labor market, with an unemployment rate of 3.2%, has created challenges with respect to recruiting qualified employees in all areas of the organization. Competitive wage rates are necessary if the City is to recruit and retain employees.

In December 2000, the City completed its negotiations with employee unions resulting in three-year labor agreements through 2003. City employees are represented by the following unions: Fraternal Order of Police; International Association of Firefighters; Service Employees Union; and Teamsters. An Employees Council represents non-union employees who are afforded the same compensation package as the Service Employees Union.





The agreements resulting from a collaborative process between the City and the bargaining units, significantly increased beginning wages to aid in recruiting new City employees, and increased all top wages to enhance the retention of dedicated, longer-term employees.

The City offers its employees a comprehensive package of insurance and pension benefits. Pension funds have performed well in recent years enabling the City to increase pension benefits by an average value equivalent of a 3.9% wage increase, while at the same time reducing the employer contribution to the pension fund.

A three-year Health Insurance Benefit Plan was negotiated last year and extends through 2003. The City continues to maintain its 80% contribution (higher than the union contractual obligation of 75%) with employees responsible for the remaining 20% of the cost. The new agreement affords the City the ability to budget known costs for health insurance over a three year period, a substantial benefit given the history of escalating health care costs. Insurance costs may increase marginally over this period due to prescription drug usage and dental insurance.

Job safety of employees is essential to the City organization. Over the last several years, the City has increased its focus on providing employees a safe workplace. The budget includes funds for replacement of equipment as well as new equipment to train employees on safe practices.

A major expenditure is the replacement of Self-Contained Breathing Apparatus (SCBA) for the Fire Department. The equipment, essential to the safety of firefighters, includes air tanks as well as a "PASS" device that warns others if a firefighter is stationary for more than 30 seconds. The estimated cost of almost \$500,000 will require allocating the purchase between the 2001 Revised Budget and the 2002 Adopted Budget.

In an effort to reduce accident costs, \$300,000 is budgeted in the Self-Insurance Fund for the purchase of a driving simulator. The training simulator will be used to refine and improve employee driving skills.

In addition to improving vehicle safety through training equipment, a new charge-back system will be initiated that is incentive-based. A flat rate charge (deductible) for each preventable incident must be paid by the department to the Self Insurance Fund from each department's base budget. The intent of the program is to encourage safer practices by all employees throughout the organization.

City Retirement Systems Profile

Combined Assets as of 12/31/00: \$767 million

Police & Fire (P&F)

Employees	993
Retirees	824
Funding ratio	114.60%
2002 Employer contribution (% payroll)	10.90%
2002 reserve fund (% payroll)	1.50%

Wichita Employees (WER)

Employees	1,896
Retirees	1,047
Funding ratio	125.90%
2002 Employer contribution (% payroll)	4.70%
2002 reserve fund (% payroll)	1.50%

ENHANCING TECHNOLOGY

New technology is no longer merely useful in supporting City services, it is essential. Technology, and most particularly the Internet, is reshaping the way people and organizations communicate, work and



prosper. The pace of change has become so rapid that implementation of new technology must be immediate. In the 2001 Revised and Adopted 2002-2003 Budget, the City will continue to advance its commitment to technology.

As the number of data users and applications increase, it is essential for the City to upgrade its Local Area Network (LAN). The upgrade, budgeted at \$600,000 in the 2001 Revised Budget, will increase LAN speed from 10/100 to 100/1000 (speed from hub to desktop/speed from backbone to hub). It will also fund the replacement of aging and failing equipment. In anticipation of system replacement, a replacement account was previously established (as old systems paid out, freeing up operating income). This practice has permitted the financing of system replacement without rate increases to users.

With the 2001 Budget, the City established its technology focus into an Information Technology (IT) Center that (financially) combines the former Data Center and Telecommunications Funds. The merging of operations creates an environment to continue centralization of IT functions that are now scattered throughout the organization.

With the Adopted 2002 Budget, six staff will be repositioned to the IT Center creating a better opportunity for resource sharing and skill building as well as providing better customer service. Staff from Library, Airport, Transit and Finance will move to the IT Center and will retain their area of system expertise, but will be co-located for greater synergy.

Computer Systems	# Users
Public Safety	1,025
Office Automation	900
Utility Billing	90
Park Recreation	30
Central Inspection	85
Finance/Payroll	225
Internet Access	300
Telecommunications	1,350

As part of a partnership with the Wichita Convention and Visitors Bureau, the Bureau will fund and the City will manage the Tourism web site. The initiative is part of the community's larger Cultural Plan to promote Wichita's many tourism assets and attractions.

In 2002, the City will complete the installation of a new public safety system that addresses the information management needs of its Prosecutors, Police and Municipal Court personnel. The state-of-the art system, at a cost of \$1,750,000, will integrate document imaging, bar code and driver's license scanning, and Internet technology. Other new systems under review for 2002 and 2003 are a human resource system and a fleet management system.

New technology for the latter part of 2001 and 2002 will be the creation of an Intranet, a central repository of data that can be shared on an internal basis. The Intranet will serve as the corporate "information network" and brings people, processes and information together. The Intranet will allow the approximately 900 employees (without access to the Internet) direct access to Web-based information. The result is an organization that provides uniform information to all employees who use computers in their daily work environment.

The City will continue to build its E-Government capabilities. Last year, the City initiated its first web-based application, e-gov.procurement. The system allowed the City to maintain vendor information, solicit bids, receive and post bids — all on-line. Recently the ability to issue purchase orders, receive invoices and make payments electronically was added to e-gov.procurement.



The next steps for E-Government will be payment of fines and fees, submission of permit and license applications, and scheduling inspections on-line. The Internet will become not only an information disbursement resource, but more importantly, an integrated business tool. Citizens will have greater access and more timely information, without limitations of time or place.

The sophistication and availability of the Geographical Information Systems (GIS) continues within the City organization. In 2001, MapWise was initiated, providing staff throughout the organization with a desktop GIS application. Department budgets throughout the organization have increased in 2002 to expand the use of effective GIS technology.

The City is embarking on yet another new technology known as Automated Vehicle Locator (AVL). The Transit Department will be the first to deploy this latest technology, that will enable staff to have “real time” information on the location of buses and vans, providing valuable information to customers using transit services. Additionally, AVL will assist schedulers in route planning and in modifying the system for more timely and efficient service.

BEYOND TRADITION: AN ENTREPRENEURIAL SPIRIT

The City of Wichita has a long and distinctive track record for delivering “value added” traditional services. This means that services that are basic in nature to municipalities are revisited to ensure that citizens receive value above and beyond the expected. Value added service translates to well-maintained roadways, attractive park systems, City-wide community policing, water and sewer systems that will meet the demands of tomorrow, and a technology environment that strives to be state-of-the art.

CONNECTING WITH CITIZENS – MINI CITY HALLS Many cities would be satisfied with delivering excellent traditional services, but Wichita, under the vision of the City Council, is not. Today’s environment is not one that just depends upon efficiency and effectiveness. City management has become much more comprehensive and is accomplished with a broadened skill set and a different attitude. Leaders and managers must be entrepreneurs, risk takers, change agents and consensus builders. Incorporated in the Adopted 2002-2003 Budget is a look to the future that evidences the shift from traditional to entrepreneurial.

With a combination of grant and local funds, the City is completing the construction of a new concept for service delivery. Mini-City Halls at four neighborhood locations will afford citizens the opportunity to conveniently access services from neighborhood-based facilities. Council members will office at these locations providing an opportunity for better accessibility

Technology Enhancements

- ✓ New Public Safety system, \$1.75 million
- ✓ Transit Automatic Vehicle Location System,
- ✓ New Local Area Network (LAN), \$600,000
- ✓ Upgrade operating systems, \$484,870

Mini City Hall Initiative

- ✓ City Council Offices, \$20,200 annually
- ✓ Neighborhood Assistants, \$13,000
- ✓ Community Educators, \$9,620 annually
- ✓ Community Police, \$19,940 annually
- ✓ Neighborhood Inspectors, \$22,360 annually
- ✓ Health staff, \$52,410 annually
- ✓ Customer Service staff, \$146,760 annually
- ✓ Custodial/Maintenance support, \$87,830



to citizens and increased convenience for District Advisory Board and other neighborhood meetings. Neighborhood Assistants will anchor the facilities, complemented by City staff providing community education, health, library, community police, neighborhood inspection and recreation programs and services.

The four facilities will be equipped with the same level of information technology available at City Hall. Additionally, computer banks equipped with Internet access will be available to citizens to help bridge the “digital divide.”

NEW LIBRARIES - NEW PARTNERSHIPS

It is not unusual for communities to build new libraries, but what is extraordinary is building libraries in partnership with other services providers. In 2002 and in 2003, two new regional libraries will be added to the library system. In each case, the facilities will be coupled with other services.

The first to be placed in service will be a mid-town library utilizing the facility that formerly housed the City Arts and Crafts operation. This facility will be renovated to include space for a Head Start Program and for other service-based organizations. Additionally, meeting space is designed in the library to accommodate the growing need for space for neighborhood and community groups. The concept is unique with respect to programming, in that the library will house the first “tool lending” collection, providing area residents with the equipment and the materials to learn home repair and small project skills.

The second library, scheduled for completion in early 2003, will share its location with a new fire station. These new facilities will complement the already existing recreational facilities provided by the YMCA in South Wichita. The complex will provide a stimulating environment for both mind and body.

TOURISM - A CULTURAL COMMITMENT

In 2000, the City of Wichita embarked on a new and innovative plan for developing tourism. City leaders recognized that increasing tourism enhances economic development, through the creation of jobs and growth of the tax base with limited infrastructure support. To be successful, the tourism initiative must build upon the community’s unique attributes and position Wichita as a destination point for citizens within the region.

The vision for developing tourism was launched by hiring a consultant to assist the community with developing a Strategic Marketing Plan to promote the City of Wichita to the tourism marketplace. The purpose of the Plan is to build awareness of Wichita as a tourist destination; change Wichita’s perception to reflect its current, vibrant and contemporary personality; consolidate its disparate and fragmented marketing efforts; increase visitor traffic, both leisure and convention; develop a stronger sense of community support for tourism; and develop alternative funding sources to support tourism and marketing, locally and regionally.

Culture and Tourism Enhancements

- ✓ Art Museum Expansion, \$10.5 million
- ✓ Public Art Maintenance, \$60,000 annually
- ✓ Tourism Initiative, \$1.35 million
- ✓ Southlakes Sports Complex, \$177,740 annually
- ✓ Northeast Sports Complex, \$128,730 annually
- ✓ 2 new District Libraries, \$142,770 annually
- *Net impact after neighborhood branch consolidation
- ✓ Collection of Transient Guest Tax, revenue enhancement of \$60,000 annually



The City, as the initiator of this study, allocated an additional \$409,000 in the 2001 Budget, \$454,000 in 2002 and \$490,000 in 2003 to the Convention and Visitors Bureau to support increased marketing and promotional efforts associated with the tourism initiative. The City is also funding Web site development in the amount of \$60,000 in all three years. Finally, the City increased its own budget for tourism marketing by \$125,000 in 2001, and \$75,000 in 2002 and 2003.

The City could consider a 1-2% tax on rental vehicles that would produce an additional \$700,000 in funding for the tourism efforts (this special levy has not yet been incorporated into the Adopted budget).

ENHANCING AIR SERVICE - AN ENTREPRENEURIAL APPROACH One of the most critical problems facing Wichita is the need for affordable air service. Currently, eleven air carriers provide service from Wichita Mid-Continent Airport. Availability of air service is not enough — it must also be price competitive with travelers utilizing Kansas City, Tulsa and Oklahoma City airports.

Recently, the City commissioned a study to determine passengers' origins and destinations. This information will be valuable in the development of target market approaches for increasing the number of passengers utilizing Mid-Continent Airport. The City's commitment to affordable air service is reflected in the Adopted 2002 and 2003 budgets with \$500,000 set aside for marketing and promotional efforts.

The City has positioned itself to assume some risk in air service development. Currently, the City is studying alternatives for recruiting a low cost carrier. Alternatives may involve incentives to existing carriers, or development of a new public-private partnership that will require a defined subsidy.

ECONOMIC DEVELOPMENT The City recognizes that Wichita is and must remain a center for business and industry in Kansas, especially manufacturing. To retain the economic strength, the City must retain and attract new employers; provide a trained labor force meeting job requirements both today and in the future; and continue policies that grant necessary incentives for new/expanding businesses.

A strength of the local economy continues to be general and commercial aviation manufacturing. Wichita is not a "one-industry town," but can boast a very diverse local economy. A previous Wichita State University Center for Economic Development and Business Research study confirmed that of 46 metropolitan areas in the study, Wichita ranked 10th in economic diversity.

The City Council continues to have a strong commitment to developing and enacting policies that are conducive to economic growth and development. The steadfastness of the tax exemption policy, along with Tax Increment Financing (TIF), have been valuable for initiating growth in manufacturing and commercial development. Wichita's efforts in economic development have resulted in 11,825 jobs created (or retained) through active City efforts over the past five years.

A premier City effort in workforce development is the Cessna Training and Development Center. By combining a safe, affordable, and on-site living environment, along with child-care, unskilled

Economic Development Program Tax Incentives Impact					
	1996	1997	1998	1999	2000
Companies	11	13	16	12	19
Jobs Created	1,090	2,272	1,328	1,313	5,822



workers can live and work in a campus-like setting to gain the necessary job skills to make them self-sufficient.

Job readiness is also exemplified by the City's commitment to working with major employers through the Long Range Planning Task Force. The City's role is to convene, listen and assist in creating an environment through public policy conducive to developing the job skills necessary for future growth and development.

The City has also recognized the importance of inner city redevelopment as an integral part of economic development. A newly enacted Neighborhood Revitalization Act (NRA) has served to enhance growth in the Core Area by providing incentives (such as tax rebates and waivers of permits/fees) to individuals and developers who invest in designated low-to-moderate income areas. A Business Assistance Plan complements the NRA effort with a \$9 million loan program whereby the City and three of the largest banks in the community have partnered to provide technical assistance and discounted interest rates on small business loans for new business growth.

Most recently, the City enacted the Redevelopment Incentives Plan. This program includes modifications to codes to promote rehabilitation, identification and marketing of possible redevelopment sites in the inner city, and new financial incentives for targeted redevelopment. In the 2002 Budget, newly funded incentives include a \$50,000 fund for the City to match private sector dollars in performance of market studies and \$500,000 for land assemblage.

The City has forged alliances with the Wichita Area Chamber of Commerce in joint funding of an economic development office that complements the City's own activities. Economic alliances also extend to neighboring communities through a recently created organization known as the Regional Economic Area Partnership (REAP). REAP is comprised of public sector leaders in south central Kansas to jointly address regional economic development issues, recognizing that when one community benefits, the entire region benefits.

MILL LEVY

Assessed valuation is the measure of property values for taxation purposes. The County's preliminary estimate of assessed valuation is \$2,198,255,000, an increase of 5.8% over the previous year. Final assessed values are set (by the County) after the City's budget is adopted.

The mill levy required to finance the Adopted 2002 Budget is 31.4 mills, no change from the levy requirement for the Adopted 2001 Budget. The mill levy is divided between the General Fund and Debt Service Fund:

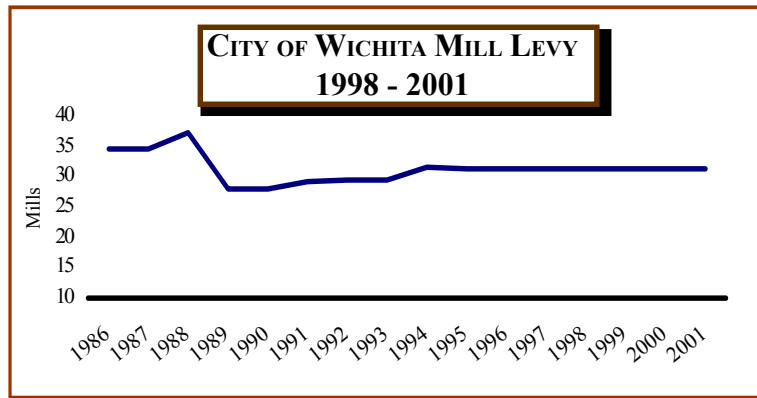
Fund	Levy
General Fund	21.4
Debt Service Fund	10
Total	31.4

On a comparative basis with the 24 other first class cities in Kansas, Wichita remains below the 35.2 mill average. When compared with the 26 other cities within the Wichita Metropolitan Statistical Area (MSA), Wichita's levy also compares favorably with the average of 45.5 mills for combined municipal and/or fire district services. [Averages are based on 2000 tax levy information and may change as other cities adjust for 2001 tax levies to fund 2002 budgets.]



The average home in Wichita is valued at \$80,000. City property taxes annually will amount to \$289 per year, or \$24 per month. A family of four will likely spend

about as much (or more) per month for cable television, telephone service, Internet service, or one family trip to the movies (without popcorn). These comparisons serve to emphasize the value represented in municipal services. For the annual City property taxes, citizens are provided vital police and fire protection, streets, parks, libraries, and a myriad of other services.



Prior to 2000, Kansas law imposed a tax levy limit on local government. The tax lid was eliminated in lieu of a requirement for local governments to disclose the portion of tax levy increase not attributable to growth, i.e., not attributable to annexation, change in use, new development, or increased personal property. The new requirement is sometimes referred to as the “truth in taxes” requirement. For the 2002 Budget, the City of Wichita “truth in taxes” amount is \$1,136,281, or 1.6% of the total taxes levied. Had the old tax limit law continued in effect, the City of Wichita taxes levied would be 5.31% under the lid.

2001 REVISED & 2003 PROJECTED

City finances do not happen within a narrow fiscal period, but on a time continuum. The annual City Budget not only makes a fiscal statement about the upcoming (2002) fiscal year; like a set of bookends, the Budget also re-examines the current (2001) fiscal year on one end and projects a second (2003) fiscal year on the other end.

2001 REVISED BUDGET

The Budget includes revised estimates of current year revenues and expenditures. The procedure of revising the budget is an important element of effective financial management, designed to provide an updated estimate of trends in the current year and to improve budget development for the next year.

In most instances, revised budgets remain within the previously adopted budget levels for each fund. Occasionally, revised estimates resulting from changing needs, or City Council actions, mean an increased expenditure level requiring a re-certification of the budget.

For 2001, total expenditures (all funds) are estimated to be approximately \$363 million, higher than the adopted budget of approximately \$334 million. The increased budget amounts are principally due to utility costs, tax increment financing and the timing of capital project costs.

Revised estimates of expenditures in the General Fund are \$152,298,730, higher than the adopted budget amount of \$148,833,030. Increased expenditures are due primarily to higher one-time expenditures and utility costs. There is no planned drawdown of 2000 General Fund cash reserves.



Debt Service Fund revised expenditures are projected at \$85,729,840, which is higher than the adopted budget of \$61,481,410, due to increases in pay-as-you-go financing as part of the Capital Improvement Program.

Other funds within the 2001 Budget entail revisions based on changing needs, and are noted by fund.

2003 APPROVED BUDGET The 2003 Budget projection is for \$358,460,860 in expenditures. This represents a 1.4% decrease from 2002. Increases will be experienced in salary, wage and benefit costs, as well as Water/Sewer utility expenses due to capital project costs. Increases are offset by lower expenses in the Landfill and Debt Service funds.

The General Fund is projected to increase in 2003 to \$160,997,380, a 2.9% increase over the 2002 Budget. The projected increase is due to higher local costs for the Public Safety Initiative, along with anticipated increases in employee salary, wage and benefit costs. No reduction in General Fund cash reserves is anticipated.

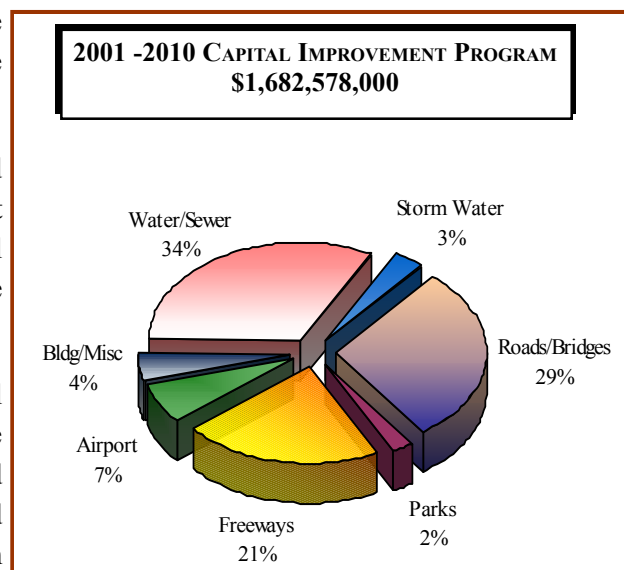
CAPITAL IMPROVEMENT PROGRAM

The Adopted 2001-2010 Capital Improvement Program totals approximately \$1.7 billion over the ten-year period. Revenues to finance this program include: Property Taxes (15%), Local Sales Tax (18%), Special Assessments (7%), Grants (21%), and Enterprise Fees (32%) from airport, water, sewer, storm water, and golf, and Other (7%).

The City finances capital projects in a variety of ways: general obligation bonds/notes, revenue bonds, grants, and cash. The most significant of these are General Obligation (GO) bonds based on the full faith and credit of the City. GO bonds provide debt financing not only for property tax-funded projects but for capital improvement projects where debt service payments are paid by City enterprises (e.g., Airport, Golf, etc.) and internal services (e.g., Fleet). Based on Generally Accepted Accounting Principles (GAAP), the debt service payments for General Obligation (GO) debt are spread either to the Debt Service Fund or the various enterprise and internal service funds, as appropriate.

The City maintains a high grade (AA) bond rating. Further, the City demonstrates prudent debt practices under State law with City debt well below the legal debt margin at only 35% of the actual margin.

The City's Adopted 2001-2010 Capital Improvement Program totals \$1.7 billion over the ten-year period. Projects are primarily initiated in the departments of Public Works, Water and Sewer, Park, Transit and Airport. The Program





includes funding for freeways, arterials, bridges, facilities, parks, and other amenities. The magnitude and complexity of the Capital Budget highlights the need for a CIP Coordinator, an individual who can assist departments with tracking, managing and initiating the necessary financing to result in the timely completion of projects. A CIP Coordinator is proposed to be included in the budget beginning in 2002.

DEBT SERVICE FUND The Debt Service Fund pays expenditures related to most of the City's General Obligation debt. The first obligation of the Debt Service Fund is to make all debt service payments on existing City bonded indebtedness.

Based on revenue estimates and assuming a constant property tax levy (10 mills), the remaining resources of the fund are used to assume debt obligations for new capital projects. Funds not required for long-term debt are used to pay for capital project expenses in the form of temporary notes which are retired in the same year (e.g., "pay-as-you-go" financing).

The Debt Service Fund is favorably positioned to support both existing debt and finance new capital projects. Cash reserves of the fund will be reduced to \$3.3 million by 2002. While this reduction is substantial, the target level of reserve for this fund is not-to-exceed 5% of annual expenditures. The fund is stable as to revenues and most expenditures are incurred late in the fiscal year. A review of the CIP is currently underway. Revisions to the capital budget will be submitted to the City Council later this year.

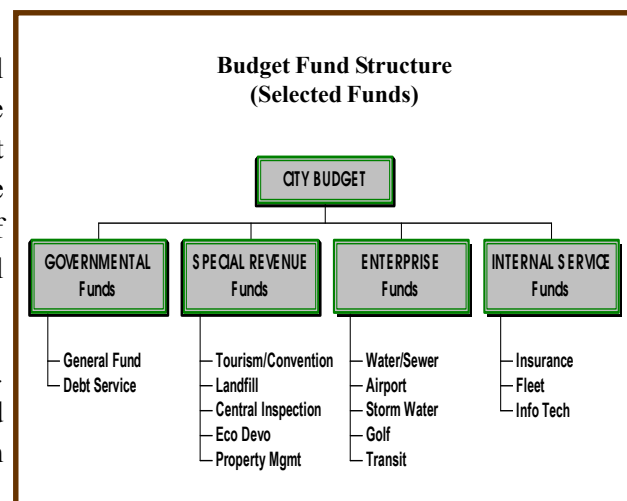
BUDGET PROCESS

FUND STRUCTURE The City does not have one budget but many funds, each of which is a legally separate budget. Only two funds, the General Fund and Debt Service Fund, include the property tax as a direct revenue source supporting fund expenditures.

Changes in accounting standards (Governmental Accounting Standards Board or GASB #34) have impacted the fund structure of the budget beginning in 2002. Several smaller funds were consolidated into the General Fund. A number of other funds were reclassified from trust to special revenue fund status.

Financial projections are tailored to each fund. Estimates and patterns of revenues and expenditures will vary by fund based on each fund's circumstance.

CITIZEN INPUT ON BUDGET PRIORITIES The Adopted 2002-2003 Budget directly addresses concerns voiced by the people of Wichita. As a part of the ongoing budget development process, Budget staff has conducted an education session on the City's annual operating budget. The session was open to all citizens, presented at a District Advisory Board (DAB) meeting. The sessions provided an overview of the City's



budget development process, a review of historical information and current trends, and a preview of upcoming budget issues.



The City relies upon use of the IDEA Center, regular DAB meetings, the Internet, and follow-up sessions with neighborhood association leaders to identify citizen priorities considered most relevant for review and inclusion in the budget development process. A Citizen Survey of community needs was also used, and results of the Comprehensive Plan survey were made available for review.

Community priorities identified by the citizen participants included the following: at-risk youth programming (especially in the evening hours); infrastructure maintenance (especially storm water drainage and street maintenance projects); municipal court improvements; and neighborhood issues (i.e., code enforcement). There was moderate support for public safety issues, even though Wichita is experiencing the lowest crime rates in years; however, there was actually opposition to financing some of the more visible specialty programs such as the helicopter and mounted patrol.

Information from surveys, the IDEA Center, and citizen sessions was collected and organized by Budget staff. Priorities were communicated to Budget Review Cabinet members and the City Manager during their reviews of budget submittals. As indicated throughout the budget, increased financial resources have been appropriated to address those community needs identified as highest priorities by citizen participants. Follow-up citizen input sessions are planned in the Fall 2001 to simulate the decision-making process and stimulate dialogue between elected officials, staff and citizens for future budgets.

FINANCIAL PLANNING Sound financial planning is vital for a municipal corporation. The City's goal in financial planning is to maintain the public's trust/confidence in its ongoing financial stewardship of the public purse through long-term financial forecasting, a balanced budget, cash reserves to absorb cyclical variations in revenues without reductions in services, investor confidence in the City's bond value, and stable tax levies.

REVENUE / EXPENDITURE FORECASTING The City has established a practice of multi-year budget forecasting. Long-term monitoring of revenues and expenditures helps to avoid recurrence of budget shortfalls leading to service reductions and employee layoffs. The Budget proposes a detailed two-year expenditure plan (2002 and 2003) that is financed from available revenues. An additional three years (2004-2006) are also forecast for fiscal planning to ascertain the long-term impacts of operating budget decisions.

Another important element in the City's Financial Plan is a balanced budget, in both the legal and fiscal definitions. This means that annually recurring expenditures (other than one-time costs) are paid from annually recurring revenues. The effort to match annual revenues with annual operating expenditures has also aided the City in another important financial goal – to maintain a stable property tax rate. The City has sustained essentially the same mill levy for nine consecutive years.

The City's Budget has a multi-year focus: retrospective in reviewing the prior year (2000) actual revenues and expenditures; current in revising 2001 requirements; prospective in budgeting for the next two years (2002/2003); and forecasting an additional three years (2004-2006).



Forecasting the financial future of the City is not a precise science. It requires making assumptions about the future. To the greatest extent possible, staff has sought to provide a neutral forecast that is neither too optimistic nor too pessimistic.

The forecasting effort in the budget process is the product of assembling information from multiple sources, including:

- Econometric modeling of revenues based on research by Finance staff and WSU faculty,
- Input from state agencies which forecast various governmental revenues (e.g., Gas Tax),
- Local economic trends prepared by the WSU Center for Economic Development and Business Research (see pages i-vii),
- Private sector expertise on select revenue sources (e.g., franchise fees), and
- Finance and other City department staff who monitor revenue and expenditure trends.

BUDGET ADMINISTRATION

The budget establishes appropriation and expenditure levels. It is normal for “actual” expenditures to be marginally below “budgeted” expenditures by year-end. Organizations often anticipate a level of such expenditure savings in the budget development.

The existence of a particular appropriation in the budget does not automatically mean funds are expended. Because of the time span between preparing the budget, subsequent adoption by the governing body and the end of the budget year, as well as rapidly changing economic factors, all expenditures are reviewed prior to any disbursement. These expenditure review procedures assure compliance with City requirements and provide some degree of flexibility for modifying programs to meet changing needs and priorities.

RESERVES

Each of the funds in the City’s budget has a separate cash balance position. The cash reserve position of the General Fund is projected to be approximately \$7.5 million unappropriated reserve and \$12.4 million appropriated reserve by year-end (2001). This reserve provides a margin to cover an unforeseen shortfall in anticipated revenues, unexpected expenditure requirements, or support for future year costs without a property tax increase.

The General Fund cash reserve (in total) represents 13.1% of 2001 expenditures. It is noted that even if the reserve is maintained at the same dollar amount, it will decline as a percentage of expenditures in the coming years. Significant unknowns remain on the horizon for the City’s budget in terms of its continued ability to fund the *Public Safety*

Revenue Volatility Funds relying on revenues that may vary significantly due to economic or other conditions (e.g., weather) will need higher cash balances than those funds relying on more stable revenues.

Timing of Cash Inflows/Outflows When either receipt of income or the payments for obligations are less predictable or subject to significant fluctuations, relatively higher levels of cash reserves may be necessary to maintain liquidity.

Contingency An unencumbered cash balance provides financial resources to meet most unforeseen contingencies and liabilities while avoiding the necessity of tax/rate increases or use of “no-fund” warrants.

Legal Requirements Some funds may have legal/ regulatory constraints as to either minimum or maximum cash reserve levels, or a contractual obligation governing cash balances (e.g., bond covenant).

Initiative, as well as the uncertainties of major revenue streams. The cash reserve position of the Debt Service Fund is projected at 5%. The reserve of other finds varies as necessary for the specific circumstances of each fund. Cash reserves are appropriate and necessary for a variety of reasons.

The cash reserve position is also a significant factor evaluated by bond rating agencies assessing the financial strength of a community. Cash reserves, both as to level (dollar and percentage) and trend (whether reserves are increasing, decreasing or stable), mirror the continued ability of a city to meet its obligations and the willingness of local elected officials to set tax rates commensurate with requirements for a balanced budget.

The classic definition of a balanced budget is when annually recurring revenues offset annually recurring expenditures. In some funds, expenditures are occurring at a higher rate than revenues, creating a budget imbalance and net reduction in cash reserves. This funding strategy is possible only for a limited period of time if reserves are above target limits. As reserves decline, it will be necessary to restore a balance through expenditure reductions, increases in revenues, or both.

IMPROVING OPERATIONS

The City's efforts do not start and end with approval of the annual budget. It is necessary to put into place the means to ensure that taxpayers receive the maximum value in programs and services for each dollar spent. During the course of the year, City staff will continue to focus on ways to reduce costs and improve services. The City added a staff position to coordinate the organizational transformation efforts. An initial effort is an examination of fleet operations. In addition to the technology efforts noted earlier, other significant transformation efforts are also planned for the coming year:

- *Improved Performance Measurement* – The City is committed to expanding its system of performance measurement as a critical component in examining the effectiveness and efficiency of service delivery.
- *Quality Assurance* – Implementation of a number of quality management techniques, including employee teams, to address work-related problems and provide more cost-effective service delivery.
- *Consolidation* – Review of City programs and services to determine if redundancies exist, first internally within the City organization, second with other local governments, and where consolidation can produce cost-savings.
- *Privatization/Contracting* – Introduction of competition in operation and pricing of government services, to ascertain those services best and most economically provided by City departments and where private companies are best able to provide a service.

CONCLUSION

The Mayor and City Council have established the policy framework for the municipal corporation to sustain Wichita's stature as a pre-eminent place to live, work, and raise a family. The governing body coalesced around several focal points that reflect what has made Wichita a quality City and will position Wichita to continue to prosper.





These discussions with the governing body, along with other community leaders and citizen groups, have provided key factors for consideration in the formulation of the City's operating/capital budgets as Wichita moves forward. To build on the City's existing firm foundation, the Mayor, City Council, and others have expressed the belief that the operating and capital budgets should:

The Adopted Budget was also developed with a view to enhancing the value of City services to the citizens of the community. The budget addresses important public services, delivered through increased use of technology, emphasizing effective management, and within a prudent financial framework.

The City is moving forward and the Adopted Budget is part of that progress. Critical issues are addressed. Wichita is a safe city. Wichita is assured a high quality water supply and an expanding infrastructure network. Wichita can sustain what it builds. Wichita will offer amenities and a high quality of life. Wichita looks to lead local and regional efforts in partnerships, public and private.

The budget as Adopted is the best efforts of staff. Your staff believes this budget takes Wichita down the path of continuing to achieve the extraordinary into the future. It is now placed before the governing body for its consideration, amendment as deemed appropriate, and adoption.

Respectfully submitted,

Chris Cherches
City Manager

ACKNOWLEDGMENTS

Formulating the annual budget document is a team effort and the result of countless hours of work. The Budget Review Cabinet, chaired by Cathy Holdeman, did a commendable job in evaluating budget requests. Special thanks and appreciation are extended to the Budget Staff of the Department of Finance for their long hours and hard work: Ray Trail, Kelly Carpenter, Rob Raine, Mark Manning, Carol McMillan, Jay Newton, Andy Hopkins, Cheryl Herndon, Brian Silcott, and Sherry Reed.

The City is proud to be the recipient of the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for every year continuously since 1989; we believe this budget document will also meet those standards. The City also holds the GFOA Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report, having received this award for more years (27 years) than any other governmental entity in Kansas. The City has additionally received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the City's financial reporting on its retirement systems. Finally, the City has received the Certificate of Excellence Award from the Municipal Treasurers' Association for its investment policy, the only governmental entity in Kansas to receive this recognition.